Defaulters of Bank Loans

481. SHRIMATI VEENA VERMA: SHRI MAHENDRA PRASAD:

Will the Minister of FINANCE be pleased to state:

.(a) whether it is a fact that laround 600 big defaulters owed to the 28 nationalised banks bad debts amounted to Rs. 20,000 crores;

(b) if so, what are the names of the top 20 defaulters of each banks indicating the amount owed by each one of them; and

(c) what steps have been taken are being taken by Government to recover these debte?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) In accordance with the statutes governing the nationalised banks as also in terms of the practices and usages customary amongst bankers, as banks do not disclosed the quantum' of bad and doubtful debts for which provisions are made to the satisfaction of their statutory auditors as also the amount of bad debts written oc. However, as per information available from Reserve Bank of India, the position of overdues of public sector banks as at the end of September, 1991 and September 1992 was as under:—

	No. of accounts in lakhs	Overdues amount Rs. in crores
1991 September,	177.34	17967
September, 1992	170.97	21822

Various steps steps have been taken by Reserve Bank of India to reduce the amount of overdues and also improve the recovery performance of the commercial banks in respect otf their advances to various scetors* Some of the important steps /are as follows: —

1. Banks have been impressed upon to institute a viable recovery system with a view to help recyc ling the scarce resources of the banks to the needy and productive sectors of the economy on the one hand, land to improve the profitability and viability of the lending banks, on the other.

2. Introduction of a comprehensive and uniform grading system to indicate the health of individual /advances for the purpose of their effective monitoring and follow up.

3. To keep a watch on the recovery of top sticky accounts.

4. Taking corrective action where advances are found to have become sticky.

5. Recently the Recovery of Debts due to Banks and Financial Institutions Act, 1993 has been enacted for expeditious adjudication and recovery of debts due to banks and for matters connected therewith *Ot* incidental thereto.

Recommenation made by Rekhi Committee Indirect Taxes

482. SHRI IQBAL SINGH; Will the Minister of FINANCE be pleased to state:

(a) whether the Rekhi Committee has submitted its Anal Report on streamlining and simplifying laws and procedures pertaining to indirect taxes;

(b) if so, what are the basic features and recommendations of the report made by the Committee;

(c) 'whether it is a fact that the Committee recommended the constitution of a high powered tribunal on the lines of Central Administrative Tribunal with original jurisdiction to intervene in matters of emergency;and

(d). if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) Volume-I of the final Report, which deals with simplification and streamlininig of Customs and Central Excise laws and procedures, contains in all 142 recommendations. The main recommendations made in the Report relate to tariff structure (not the rate of duty), valuation, classification assessment clearance, warehousing, exports, drawback, MODVAT, appellate machinery settlement commission, bond, refund, audit etc. For convenience of reference: a few copies of the Report have been placed in the Parliament House Library.

(c) and (d) Yes, Sir. The recom mendation is acceptable.

mBusting of sales taxe evasion packet

483. SHRI IQBAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item published in the Indian Express dated 19.11.93 captioned Sales Tax evasion racket busted; and

(b) if so, the details thereof; and what necessary action has been taken thereon by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) and (b) Information is being collected and will be laid on the Table of the House.

Rise in wholesale price index

484. SHRI MENTAY PADMANA-BHAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the annual inflation rate based on the rise in whole Price Index during the week ending 6th November, 1993 is the highest in 45 weeks at 8.44 per cent;

(b) what are the reasons for this significant rise in inflation rate; and

(c) whether any steps are likely to be taken to reduce the burden on middle and poor classes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) (a) Yes, Sir, it reckoned on provisional data so far available.

(b) Reasons for rise in inflation rate are;

—Sharp uptrend in primary commodity prices due to higher support/ procurement price to 'farmers.

—Revision in issue price for PDS.

—Revision in electricity rate by many of the SEBs.

—Truckers strike twice in the year.

—Relaxation in fiscal discipline.

(c) The principal instrument for moderating the prices of essential commodities is through the Govern ment's intervention in supply manage ment of sensitive commodities (which constitutes) wage goods for the poor er classes) such as rice, wheat, edible oils and sugar. Apart from increas ing the allocation for PDS, the gov ernment has also allowed open mar ket sales of wheat to moderate the market prices. The Government has also permitted imports of edible oils as a result of which rise in edible